## HARTFORD BUSINESS, JOURNAL

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GREATER HARTFORD'S BUSINESS NEWS

**Obamacare shift could mean lower rates for CT biz** 

By Matt Pilon

mpilon@HartfordBusiness.com

ongress' recent decision to suspend an Obamacare fee levied on health insurers could lower insurance rates for Connecticut companies and their employees next year, experts say.

In December, Congress passed a federal budget that included a one-year moratorium on \$13.9 billion worth of so-called health insurance provider (HIP) fees that were to

ties to lease or buy real estate and employ workers to ply the broader U.S. market with

One, Biological Industries, last fall opened

in Cromwell, where it stores and distributes

cultures used to grow stem cells. In March 2014,

Israeli software developer Applango opened its

U.S. headquarters in Stamford, with financial

backing from the state Department of Eco-

nomic and Community Development (DECD).

nomic-development promoter and others,

illustrates Connecticut's successful efforts

Their arrival, says the state's top eco-

their products and services.

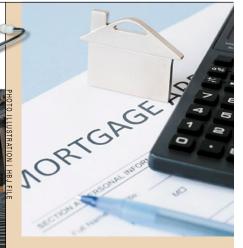
be paid by insurers in 2017.

The fees have been levied since 2014 to help fund health insurance coverage subsidies for individuals who fall beneath certain income thresholds.

The federal spending bill, which also included two-year delays of the impending Cadillac tax on high-value health plans and the existing 2.3 percent tax

Continued on page 12

In December, Congress passed a federal budget that made significant changes to the Affordable Care Act, including putting a moratorium on an insurer fee and delaying implementation of the Cadillac tax.



### Fee Fight

A recent Connecticut Supreme Court ruling affirming the state's imposition of higher realty-recording fees on an electronic mortgage registry will preserve a vital revenue stream for the state and its municipalities, but also maintains higher closing costs for many borrowers. **PG. 3** 



Last-minute legislative changes and additional reporting requirements from the Affordable Care Act, among other factors, are shortening the tax season, forcing accounting firms to scramble for **PG. 8** 

### **Taxing Times**

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at taking its message to commercial corners around the globe.

Along with job prospects, the Israeli transplants' heavy technology focus — biopharma, medical devices and software development - augments Connecticut's deep technology and manufacturing roots, observers say. Connecticut, in return, offers them a gateway into the vast, lucrative U.S. marketplace.

"They're a country that doesn't have a big marketplace," said Jason Giulietti, vice president for business recruitment with the

nonprofit Connecticut Economic Resource Center Inc. (CERC). "What they're looking to do is get into the largest marketplace, and that's the United States."

Giulietti said he expects that one of every five of the 50 Israeli firms he is currently pursuing will eventually establish operations in Connecticut sometime within the next 18 months. Some of those, Giulietti said, are weighing uprooting and relocating entire

Continued on page 10

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recent Connecticut Supreme Court ruling affirming the state's imposition of higher realty-recording fees on an electronic mortgage registry will preserve a vital revenue stream for the state and its municipalities, but also maintains higher closing costs for many borrowers, experts say.

Operating as Mortgage Electronic Registration Systems Inc. (MERS), a consortium of several hundred mortgage lenders — including many of America's biggest - had challenged a 2013 state statute that imposed a higher filing fee in Connecticut for real estate borrower-lender documents and deeds that MERS routinely files nationwide on behalf of those lenders.

Parent MERSCORP Holdings Inc., of Reston, Va., said in an email that, in the wake of the court's Feb. 8 ruling, it "continues to believe that the challenged statute violates the United States Constitution and intends to explore its legal options." The U.S. Supreme Court would be its next stop.

MERS was created in the 1990s to provide large mortgage lenders and investors a convenient vehicle to publicly record their stakes in realty and other assets securing the loans. Critics have complained that MERS-recorded realty deeds and other documents filed in communities nationwide often cloud the

partly responsible for amplifying the depth of last decade's subprime-mortgage crisis.

In its Connecticut appeal, MERS claimed, among other things, that the state's decision to triple the filing fee three years ago to a minimum \$159 for MERS's members was not only arbitrary and capricious, but constituted an illegal "taking."

But the state's highest court disagreed, noting that the state was within bounds in imposing a higher fee to preserve revenue that the state, as well as cities and towns, were losing as a result of MERS' format for filing mortgage papers, liens and deeds, observers say.

The decision leaves Connecticut with a bifurcated filing-fee system, experts say, in which borrowers from MERS-affiliated lenders face higher fees as part of their loan-settlement, or closing costs, than those whose lenders handle their own document-filing chores.

According to the state Treasurer's Office, Connecticut's share of real estate-filing fees amounted to \$24 million each in fiscal 2014 and 2015, money that has flowed directly into the state's coffers.

"It's not that big a deal," said Fairfield foreclosure attorney Christopher Brown, who sued MERS in a separate matter eight years ago. "It's really only important to MERS. ... MERS is going to figure out a way to charge [borrowers] for those increased fees."

Meantime, town clerks statewide are relieved

upheld but that it spares them the headache of having to prepare refunds to MERS, said Westport Town Clerk Patricia Strauss. Municipalities keep a portion of each fee for their filing services.

"It would have been interesting to know how we were going to pay all that money back that we had collected," said Strauss, who is president of the Connecticut Town Clerks Association.

Before they were raised, Connecticut's statutory mortgage-document filing fees were fixed at \$10 for the first filed page, plus \$5 for each additional page. But the 2013 statute imposed extra fees of \$3 and \$40 per filing.

At the same time, the statute set a definition for a "nominee of a mortgage" that clearly singled out MERS. For transactions involving MERS and other "mortgage nominees," the state set a filing fee of \$159. The fee for realty filings where MERS isn't a party is \$53.

MERS sued the governor, attorney general, state treasurer and several others, asking state court to set aside the higher fees being imposed on it. The lower court upheld the fees, so MERS appealed.

In the appeal, the state Supreme Court addressed several legal theories that MERS embraced as the core of its legal challenge.

One was that by imposing a higher user fee on MERS, the state breached its "equal protections" guaranteed by the Connecticut and federal constitutions. The High Court disagreed.

### **Mortgage-fee collections**

Connecticut's annual share of mortgage-document recording fees remitted to the State Treasurer's Office from all municipal town clerks.

Year	Mortgage-Document Fees			
Fiscal 2012	\$21,028,908.00			
Fiscal 2013*	\$23,909,415.00			
Fiscal 2014	\$24,290,210.00			
Fiscal 2015	\$24,205,870.00			
Fiscal 2016**	\$16,370,026.00			
*CT BEGINS DRAWING HIGHER FEES FOR FILINGS ASSOCIATED WITH MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC. (MERS).				
** AS OF FEB. 16, 2016.				
SOURCE: CT STATE TREASURER'S OFFICE				

"To prevail on an equal protection claim, a plaintiff first must establish that the state is affording different treatment to similarly situated groups of individuals," Justice Richard N. Palmer wrote in his opinion.

The court, too, rejected MERS' other legal

Continued



### Mortgage Filing Fees

challenges to Connecticut's statute.

It wasn't the first MERS appeal the state's High Court heard. In 2011, the court sided with MERS in a case that questioned another financier's standing as a "nominee" for a mortgage originated by a MERS-affiliated lender in a foreclosure proceeding.

The Connecticut Fair Housing Center filed a "friend-of-the-court" brief in support of the state's reasoning for imposing higher fees on MERSrelated filings "because it was important the court hear from someone other than the industry," said Jeff Gentes, its managing attorney.

Gentes said the mortgage industry, too, submitted an "amicus" brief in support of MERS, that contained "over the top claims" that the existence and actions of MERS were good for lenders and for borrowers.

Since MERS was formed two decades ago, he said, municipalities nationwide have seen their mortgage-filing revenue drop as more lenders signed on to have MERS be their nominees in monitoring and updating mortgages and deeds as they are either paid off,

With its 2013 statute raising filing fees substantially on MERS, "Connecticut essentially said, 'you have to pay us essentially what you've not been paying us'," Gentes said.

The Connecticut Mortgage Bankers Association, the industry's primary in-state lobby, said the possibility of an appeal by MER-SCORP makes the long-term impact of the state High Court ruling uncertain.

does "not expect any increase in closing costs for borrowers because the law imposing the higher fees has been in place here in Connecticut since July 2013," association Executive Director Barbara Goodrich said via email. Goodrich declined further comment.

Joseph Yenouskas, a Washington-D.C. lawyer with law firm Goodwin Procter, which counsels financial institutions, said he is unaware of any other state with a MERS filing-fee statute like Connecticut's. Two states, Texas and Minnesota, actually have statutes that ease the way for MERS' filings there, Yenouskas said.

Asked whether other states might use Connecticut's statute as a template for establishing their own MERS filing-fee schedules, Yenouskas said, "It's always very difficult to predict what a state legislature might do."

"MERS had strong arguments," he said. "I know the Connecticut court didn't accept them, but they were strong arguments."

MERSCORP Holdings Inc. v Malloy et  $al_2016$ -sc19376.

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### THE ALLIANCE





foreclosed on or assigned to other lenders.

Moreover, the mortgage bankers group

The Connecticut Supreme Court case is



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### Mass., CT tax structures come under spotlight

In the wake of General Electric's decision to move to Boston, the tax structures of Connecticut and Massachusetts have come under closer scrutiny, as the neighboring states compete for businesses and jobs.

And while some have nicknamed the Bay State "Taxachussets" for its perceived high tax rates, it holds certain advantages over Connecticut, including a lower income tax for high earners, according to a new report from the state's Office of Legislative Research (OLR), which recently compared various taxes in both states.

Connecticut has a progressive income tax structure, with rates ranging from 3 percent to as high as 6.99 percent, while Massachusetts has a flat 5.15 percent income tax rate.

Massachusetts also lacks gift or business entity taxes, while Connecticut has both. The Nutmeg State also has a slightly higher sales and use tax rate (6.35 percent vs. Massachusetts' 6.25 percent rate).

Connecticut's 7.5 percent corporate income tax rate is lower than Massachusetts' 8 percent rate, but the Nutmeg State has instituted a 20 percent corporate surcharge in recent years, boosting its effective rate to about 9 percent. The surcharge shrinks to 10 percent in 2018.

There was no comparison of property taxes,

which is often considered one of the most burdensome levies by Connecticut businesses.

OLR didn't draw or make any conclusions from its research, which aims to provide state lawmakers with data to inform their policy decisions. The comparisons, however, are particularly important this legislative session, as lawmakers grapple with a growing budget deficit that will require tax increases or budget cuts as a remedy.

Key legislative leaders on both sides of the aisle have already said tax increases are not on the table this year, but they face mounting pressure from labor unions, nonprofits and other groups to raise revenues and prevent significant budget cuts.

Connecticut has raised taxes twice since 2011, but lawmakers, including Gov. Dannel P. Malloy, are skittish about boosting rates again as the state tries to remain competitive in maintaining and attracting employers.

Of course, GE's decision to flee its Fairfield headquarters wasn't solely based on tax policy. The industrial conglomerate is trying to reinvent itself as a technology company and is looking to tap into Boston's high-tech talent and ecosystem to raise its profile and prospects.

— Greg Bordonaro

## SPOTLIGHT ON: BANKING Liberty Bank | Hamden, Connecticut

DESIGN BUILDERS • GENERAL CONTRACTORS • CONSTRUCTION MANAGERS

PDS Engineering & Construction served as Design Build General Contractor for this Liberty Bank facility. The project also included a second floor of apartment units and two other tenant spaces on the first floor. The bank itself entails a teller area, offices, lobby, restrooms, break room, conference rooms, equipment rooms and an elevator.

KEY FACTS
Project Size: 7,300 Square Feet
Date of Completion: 2014

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### **Connecticut vs. Massachusetts Tax Rate Comparisons**

Тах	СТ	MA	
Income	Progressive rate ranging from 3% to 6.99%	Flat 5.15%	
Sales and Use	6.35%	6.25%	
Corporate Income	Greater of: 7.5% of net income, 3.1 mills per dollar of capital base, or \$250 minimum tax. 20% surcharge applies for 2016 and 2017; 10% surcharge for 2018	8% of net income plus \$2.60 per \$1,000 of taxable property or net worth; \$456 million minimum tax.	
Real Estate Conveyance	1% to 1.75% of sales price, depending on property type and location	\$4.56 per \$1,000 of sales price (0.456%); \$6.12 per \$1,000 in Barnstable County (0.612%)	
Estate	For estates over \$2 million, marginal rates range from 7.2% to 12%	For estates over \$1 million, marginal rates range from 0.8% to 16%	
Gift	For gifts over \$2 million, marginal rates range from 7.2% to 12%	None	

Italian firm aired plans with CT's brass in '15

Announcement recently that Italian aeroparts manufacturer Pietro Rosa TBM was coming to Connecticut with the purchase of a long-standing Farmington airfoil-products maker caught many by surprise, but not the governor nor his top economic-development lieutenant.

Catherine Smith, commissioner of the state Department of Economic and Community Development (DECD) said she and Gov. Dannel P. Malloy met with Pietro Rosa officials at last June's Paris Air Show about its desire for a Connecticut presence.

"We certainly were aware that Connecticut was on their radar," Smith told the Hartford Business Journal last week.
"... It just takes a long time for companies

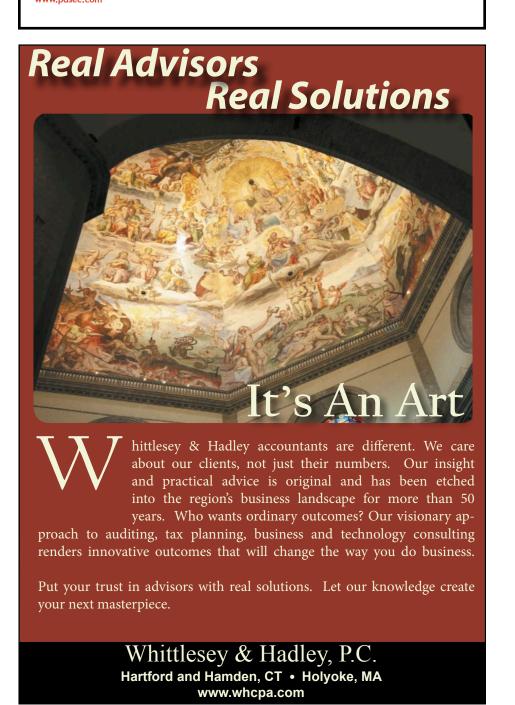
to make up their minds."

Pietro Rosa announced Feb. 19 that it was paying an undisclosed sum for New England Airfoil Products, and will remain in the firm's facilities at 36 Spring Lane.

Pietro Rosa declared it will invest more than \$10 million in the Farmington facility in exchange for a \$3 million low-interest DECD loan and a commitment to help the employer cement ties with local universities and technical colleges to develop its skilled workforce.

Mauro Fioretti, CEO of the Pietro Rosa group, said the acquisition offers the company greater reach and access to its existing and new North American customer base.

- Gregory Seay



### **BY THE NUMBERS**

### \$377.09

The total delinquent car taxes and interest Gov. Dannel P. Malloy owes the city of Hartford, where the Democrat resides, according to the CT Mirror.

### 35

The number of years Connecticut has used a minimum-pricing system for alcohol, which requires retailers of alcoholic beverages to sell their products at a minimum price determined by the wholesaler industry.

### 5%

The percentage of employees at MassMutual's Enfield campus who are losing their jobs as a result of the insurers' cost trimming.

### \$9M

The projected deficit for the city of Hartford in the current fiscal year, according to Mayor Luke Bronin.

### **TOP 5 MOST READ**

on HartfordBusiness.com

- Bronin projects steep deficits for Hartford
- Razing of The Hartford's ex-Simsbury campus sought
- MassMutual to lay off 100 at Enfield office
- Restaurant owner admits underreporting receipts
- UTC: Honeywell merger off table

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The Hartford's former Simsbury campus is slated to be demolished.

### **TOP STORY**

### Razing of The Hartford's ex-Simsbury campus sought

The new owners of The Hartford's sprawling ex-Simsbury insurance campus plan to raze the office-building portion to make way for a new mixed-use development, the town's planner says.

New Jersey landlord The Silverman Group, which acquired the 173-acre campus in late December, has filed an application with the town's conservation commission to level the 625,000-square-foot office building at 200 Hopmeadow St., said Jamie Rabbit, Simsbury's director of planning and community development.

The commission will formally receive the application when it meets on March 1, Rabbit said.

Working with The Hartford once it decided to sell the property, the town embraced a relatively novel development concept, known as "form-based code," for reimagining the property's use and to make it more attractive to a buyer.

According to Rabbit, the town and Silverman Group still envision applying the code to whatever new use the owner intends for the property.

To that end, Rabbit said Silverman Group has hired a trio of renowned design houses: VHB, of Vienna, Va., Gateway Planning, of Dallas, Texas.; and Minno & Waskow Architects, of Lambertville, N.J.

### **MANUFACTURING**

### **UTC:** Honeywell merger off table

Aerospace conglomerates United Technologies Corp. and Honeywell recently rekindled merger talks, but a deal doesn't appear to be in the works.

Farmington-based UTC, which is Connecticut's largest private employer, confirmed last week that it recently held merger talks with New Jersey-based Honeywell, to create a combined \$94 billion company.

But the talks eventually died due to "significant regulatory obstacles, customer concerns and valuation issues."

"In particular, United Technologies has communicated to Honeywell that combining two of the world's largest players in the aerospace and commercial building segments would face insurmountable regulatory obstacles and strong customer opposition, and could either be blocked outright or conditioned on significant divestitures after a lengthy and disruptive review period that would destroy shareholder value," UTC said in statement.

Honeywell initiated the latest merger talks, but conversations between both sides have been ongoing for a year, CNBC said.

In 2015, UTC CEO Greg Hayes approached Honeywell CEO David Cote about a possible merger of equals, CNBC said. In the latest talks, Honeywell, which now has a greater market valuation than UTC, was the acquirer.

### **LAW**

### Court administrator threatens massive layoffs, court closings

The judicial system's top court administrator said proposed spending cuts by the governor will result in hundreds of layoffs, courthouse closures, and other cuts in service.

The court system would see a "devastating number" of layoffs if it receives a \$64 million reduction in funding, Judge Patrick L. Carroll III, the court system's chief administrator, told the Appropriations Committee last week.

He told the committee if 500 people were laid off in the Judicial Branch effective July 1, about one in seven of all employees, the savings would equal \$25 million, less than half of the \$64 million in proposed budget cuts. Carroll said 1,000 layoffs in the Judicial Branch, which he termed "an impossible number to achieve," would yield \$50 million in budget savings.

The Judicial Branch would also most likely close six of its 43 court locations because of staffing reductions.

### **INSURANCE**

### MassMutual to lay off 100 at Enfield office

About 100 positions are being cut at the Enfield office of MassMutual, home to the company's retirement fund operations, a corporate spokesman confirmed last week.

"MassMutual routinely and carefully examines all of its operations to ensure we are focused on activities that effectively and efficiently deliver the greatest value to our policyowners and customers," MassMutual spokesman Jim Lacey said in a statement. He added at times this means making decisions that impact staffing levels.

The Springfield-based financial services company two years ago spent more than \$38 million to renovate its Enfield complex at 100 Bright Meadow Blvd. The company's total Enfield payroll had grown since the renovation to around 2,000, up from its previous total of 1,200, the Journal Inquierer reported.

The company also has 200 employees in Hartford at its Cornerstone Real Estate Advisers LLC subsidiary.

In June 2014, the state announced it was giving MassMutual up to \$13 million in state incentives as part of an expansion of its Enfield campus.

### **EDUCATION**

### UConn professor equates charter school growth to subprime mortgage crisis

Just like the subprime mortgage crisis slammed poorer African-American neighborhoods, so could the growing increase in charter schools, claims a UConn professor in a new report.

Insufficient regulation could result in the formation of charter-school "bubbles": A concentration of poorly performing schools in urban African-American communities, according to Preston Green III, UConn professor of educational leadership and law.

In a recent paper that is receiving national attention, Green and three coauthors outline the many parallels they see between today's charter school systems and the early days of the subprime mortgage crisis, where aggressive business practices and unchecked growth created a national housing "bubble" that threw the country into deep recession.

Green said the housing bubble was particularly devastating to urban African-American families, many of whom relied on subprime mortgages to purchase their first homes. Without sufficient regulatory safeguards in place to protect them, he said these vulnerable families would later lose their properties to foreclosure when the bubble burst and they were unable to meet the terms of their loans. In his research article, Green and his co-authors said more than \$200 million in charter school fraud, abuse, and mismanagement has been identified in 15 states.

### **ECONOMIC DEVELOPMENT**

### E. Windsor out of casino chase

Two Connecticut tribes weighing several Hartford area venues for a third casino say East Windsor has fallen out of consideration, and that discussions are entering a new phase about remaining sites in Hartford, East Hartford and Windsor Locks.

"We've spent the last several months going through this process, trying to figure out the best way to preserve Connecticut jobs and revenue," Mohegan Tribal Council Chairman Kevin Brown said in a statement. "East Windsor's clear desire to host this facility made this decision really difficult. However, the fact that one site was removed by the developer and others were not submitted by the property owner made pursuing a facility there extremely challenging."

Butler and Mashantucket Pequot Tribal Chairman Rodney Butler said staff from both tribes, who are partnering to develop Connecticut's third casino, will meet with officials from each of the towns to discuss in greater detail exactly what a proposal could entail. The tribes did not give a timetable for rendering a decision on winning site

### **LABOR**

### Paid family leave would cost \$18.5M annually

A new study on expanding paid family leave in Connecticut estimates a startup cost of \$13.6 million. Ongoing costs would approach \$18.5 million for salaries but would be covered by employee contributions.

The report, conducted by the Institute for Women's Policy Research, was required by the General Assembly last year. The Permanent Commission on the Status of Women said the plan favors an employee-contribution model that would not require employers to pay into the self-funding system.

Business lobbying groups including the Connecticut Business & Industry Association oppose the adoption of paid family sick leave.

The program put forward by the Campaign for Paid Family Leave is solvent after a two-year startup period, the report said. It would require 0.54 percent of an employee's earnings in order to fund that employee at 100 percent wage replacement. The report recommends collecting the premiums for a year before workers would be eligible for paid family leave.

The state would need to hire about 120 employees to administer what could be 100,000 family leave claimants annually, the report said.



Gov. Malloy is seeking to change liquor-pricing laws.

### State deficit grows

to \$19.9 million

Northeast states

The projected deficit for the 2016-2017 biennial state budget has grown to \$19.9 million, a \$12.8 million increase from last month's projections.

paid. This is the same standard used in neighboring

A major driver of the increase is poorer than expected income tax collections, according to a monthly report from Office of Policy and Management Secretary Ben Barnes.

The budget for this year is \$18.1 billion.

Barnes said the deficit would be higher without projected spending being \$87.8 million below the original budget plan. A major impact on the budget was a December General Obligation bond sale that produced lower than anticipated net premiums.

### BANKING & FINANCE

### UConn Foundation selects Houston firm to manage investments

The University of Connecticut Foundation selected a Houstonbased investment management firm to oversee \$130 million of its endowment.

The foundation selected Covariance Capital Management to be its outsourced chief investment officer. Covariance is a member of the TIAA family of companies.

Covariance will work with the foundation's investment committee and investment staff to determine a strategic asset allocation, manage the portfolio across multiple asset classes, maintain appropriate risk controls and liquidity, and rebalance the portfolio as needed.

The University of Connecticut's endowment was approximately \$363 million as of Sept. 2015, the most recent figure available.

### **WHAT'S AHEAD:**

- 3/7 Focus: **Health Care/Bioscience**
- The List: Largest Bioscience Cos.
- Nonprofit Profile: **Greater Hartford Legal Aid**

### **CALENDAR**

WEDNESDAY, MARCH 2

### How Housing and Hunger Impact Economic Development



James Arena-DeRosa

The MetroHartford Alliance's March 3 Rising Star breakfast will feature several experts who will discuss the impact housing and hunger have on the economy and the state's economic progress.

The event will run from 7:30 a.m. to 9 a.m. at the Hilton Hartford, 315 Trumbull St., Hartford. Featured speakers include: **James Arena-DeRosa**, president and CEO of Foodshare Inc.; Janice Elliott, executive director, Melville Charitable Trust; and

Rosanne Haggerty, president, Community Solutions.

Cost to attend is \$20 for members and nonmembers.

For more information or to register go to: http://web.metrohartford.com/events/.

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### **GOVERNMENT & POLITICS**

### Malloy seeks drop in alcohol prices

If Gov. Dannel P. Malloy gets his way, liquor prices could drop for Connecticut consumers. He's pushing to end a 35-year-old law that sets a minimum price for alcohol. He wants the free market to set prices instead.

Currently, Connecticut is the only state in the region with a law requiring retailers of alcoholic beverages to sell their products at a minimum price determined by the wholesaler industry. Malloy said as a result, consumers here often pay more than those in other states because of an artificially determined price that was required by the government. This statute is unique to only off-premises alcohol retailers and treats no other types of industries in the same manner, he said in a statement.

The governor is proposing that the law be modified to allow retailers to sell wine and liquor using the criteria of actual cost

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## Accounting firms deepen benches for truncated tax season

By John Stearns

jstearns@HartfordBusiness.com

ax season is always hectic for accounting firms — which for years have called in temporary reinforcements, from college interns to experienced freelance tax professionals to help manage the load — but the window for the work is getting more compressed, according to one tax veteran.

Last-minute legislative changes and additional reporting requirements from the Affordable Care Act, among other factors, are shortening the tax season, forc-

ing accounting firms to scramble for extra help. Simultaneously, competition for interns and other temps is fierce, forcing firms to compete on their reputation, work and training environment, and compensation.

"The [tax season] has gone from like a three-month period to almost less than a two-month period," said Brett McGrath, a partner in the Hartford office of Marcum LLP and partner-in-charge of the firm's Connecticut tax department. "We still have to get the same amount of work out, but we've got five to six weeks potentially of less time to do it."

To deal with the truncated season, Marcum deploys a compression plan that starts before the new year, including filing early extensions for clients for which the firm has already done planning and tax projections but whose returns would be extended anyway; outsourcing some returns, with clients' approval (the firm outsourced about 1,000 1040s last year); hiring experienced flex staff, usually CPAs, through ads in professional publications; and hiring college interns, typically juniors who take the winter semester off from school to work full-time, learn the trade and, assuming they impress, punch their ticket for a job after graduation.

McGrath said he usually hires one to three interns each for Marcum's Hartford, New Haven and Greenwich offices in tax season. He doesn't have any flex staff in Hartford this season, but has two or three in New Haven and one in Greenwich.

McGrath said he typically taps UConn accounting students and personally interviews candidates, which he thinks, as a partner, provides an edge in the competitive recruiting process, made even tougher by fewer students



Michael F. D'Addio, principal-tax and business services, in the New Haven office of Marcum LLP.



Brett McGrath, partner in the Hartford office of Marcum LLP and the partner-incharge of Marcum's Connecticut tax department.



Ed Kindelan, regional managing partner-New England region, CohnReznick LLP.

seeking winter internships. More seem to prefer summer internships and not give up a winter semester, he said.

But now is when firms need the help and students can fully experience the occupation, he said. Summer interns typically get hired for audit work.

"Six years ago there'd be 120 candidates in the [winter] pool for interns," and even though the Big Four accounting firms (Deliotte, PwC, Ernst & Young and KPMG) would grab most, there was enough to go around for quality firms, McGrath said, estimating the pool this year in the neighborhood of 30, before the Big Four made their play.

His Hartford tax staff of about 14 comprises all exinterns, he said.

CohnReznick LLP's Hartford office hired 25 seasonal staff this tax season, comprising 13 experienced professionals helping with tax preparation and reviews for individual and business clients, seven interns, and five people who supplement administrative support staff, said Ed Kindelan, the firm's regional managing partner-New England. That's up from 22 last year.

Firms have to jockey for quality interns, Kindelan said, so CohnReznick has a recruiter in Hartford who hunts for talent between roughly Boston and Stamford.

"So we put a lot of effort into investing time at the universities to be able to compete, to get the message out there," Kindelan said. "A lot of our folks come in as referrals," including two graduates this year from Clemson University in South Carolina, an area outside the office's typical recruiting zone.

Continued on page 10

### **EXPERTS CORNER**

## Partnerships must brace for new IRS audit rules

By Daniel L. Gottfried

ith 2015 in the rearview mirror, members of partnerships should consider a recently passed law that may have significant implications for the future of their partnership in the event of a tax audit. Signed into law in November, the Bi-Partisan Budget Act of 2015

(2015 Act) has created a need for nearly all entities treated as a partnership, including limited liability companies (LLCs), to take another look at their partnership agreements' tax provisions and make necessary revisions.

The 2015 Act completely overhauled

the Internal Revenue Service's audit procedures for partnerships, effectively repealing the existing Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and Electing Large Partnership audit procedures. These changes are intended to make the audit process easier for the IRS and generate as much as \$10 billion in additional tax revenue over the next decade, but they'll also have a potentially significant impact on many partnerships.

In the past, it has been difficult for the IRS to audit partnerships, resulting in audit rates as low as 0.8 percent, according to one Government Accountability Office report. This is due, in part, to the fact that the IRS generally

performs audits at the partnership level, but then makes tax adjustments, and collects any additional taxes, interest, and penalties from individual partners.

The new audit procedure seeks to streamline that process.

Under the new procedures, the IRS would review partnership income, gain, loss, deduction, credit, and partners' distributive shares for the relevant year. If that audit necessitates an adjustment, any underpayment would need to be paid by the partnership, rather than individual partners.

This payment would need to be satisfied by the partnership's assets, or with contributions from those who are partners at the time of the adjustment, not in the year under audit. In other words, the individuals or entities who are partners at the time of an audit will bear the costs of any adjustments, regardless of whether or not they were partners in the year that is actually being audited.

In light of these changes, partnerships may want to consider one of two different approaches for handling their taxes. First, certain partnerships with 100 or fewer qualifying partners are eligible to opt out of the new procedures, in favor of the

old system. Second, it is possible to shift the burden of any tax adjustment to those who were partners in the year under audit. Given the complexity of these approaches, however, partnerships should allow time for careful analysis, planning, and revisions to their partnership



agreements.

While legal experts are still developing best practices as a result of these changes, partnerships should take a closer look at the implications of the new procedures sooner rather than later in order to make sure they are protecting themselves.

For example, partnerships that are undergoing an ownership change or taking on new partners will need to consider the new pro-

## ► In the past, it has been difficult for the IRS to audit partnerships, resulting in audit rates as low as 0.8 percent.

cedures and make necessary revisions to their agreements. After all, these types of changes create a potential mismatch between who generates a partnership's income and who would bear the cost of a tax adjustment.

In addition, partnerships that have audited financial statements will need to understand whether the changes may result in a financial statement impact for uncertain tax positions, which historically may not have been relevant to those partnerships.

Although there is ample time to prepare for the new audit procedures, these changes create real risk for partnerships, and make previously boilerplate tax provisions obsolete.

Daniel L. Gottfried is a partner at Hinckley Allen in Hartford.

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### **THE LIST**

### **Largest law firms in Greater Hartford**

(Ranked by number of local attorneys as of Feb. 2016)

Rank	Company	No. local attorneys	No. local partners/ Associates/ Paralegals	Conn. offices/ Total offices	Practice areas	Managing partner(s)	Year founded locally
1	Shipman & Goodwin LLP 1 Constitution Plaza Hartford, CT 06103 860-251-5000; www.shipmangoodwin.com	119	71 36 24	5 7	Employment, environmental, intellectual property, bankruptcy and creditors' rights, business and finance, commercial, education law, employee benefits and tax, government investigations and white-collar criminal defense, health care, insurance, petroleum marketing	Scott L. Murphy	1919
2	Robinson+Cole LLP 280 Trumbull St. Hartford, CT 06103 800-826-3579; www.rc.com	110	58 36 15	3 9	Employment, environmental, intellectual property, business transactions, finance, public finance, health care, estate planning and probate, technology, employee benefits and compensation, labor, immigration, tax, tax-exempt organizations, utilities, land use, real estate, construction, business, data privacy and security, insurance	Stephen Goldman	1845
3	Day Pitney LLP 242 Trumbull St. Hartford, CT 06103 860-275-0100; www.daypitney.com	83	39 22 18	5 9	Employment, environmental, intellectual property, trusts, estates and wealth planning, insurance/reinsurance, public securities and finance, executive compensation and benefits compliance, family office and private equity, health care, real estate, government enforcement and white collar, creditors' rights, professional liability, probate, energy and utility, data privacy	Stanley A. Twardy Jr.	1919
4	Halloran & Sage 1 Goodwin Square, 225 Asylum St. Hartford, CT 06103 860-522-6103; www.halloransage.com	66	39 22 6	6 7	Employment, environmental, intellectual property, appellate, banking, business and transactional, construction, health care, insurance, matrimonial and family law, municipal, real estate, transportation, trusts and estates	William J. McGrath Jr.	1935
5	Updike, Kelly & Spellacy PC 100 Pearl St., 17th Floor Hartford, CT 06103 860-548-2600; www.uks.com	61	46 15 11	5 5	Employment, environmental, affordable housing, health care, lobbying, venture capital and private equity, technology and emerging companies, energy and utilities, bankruptcy and creditor's rights, data security and privacy, third party investigations, dispute resolution, universities, estate planning, construction, immigration, land use, municipal, public finance	John F. Wolter	1967
6	Cantor Colburn LLP 20 Church St., 22nd Floor Hartford, CT 06103 860-286-2929; www.cantorcolburn.com	60	27 33 140	1 5	Intellectual property	Michael A. Cantor Philmore H. Colburn II	1968
7	Murtha Cullina LLP CityPlace I, 185 Asylum St. Hartford, CT 06103 860.240.6000; www.murthalaw.com	50	23 16 11	3 6	Employment, environmental, appellate, bankruptcy and creditors' rights, business and finance, commercial real estate, community banking, construction, emerging companies, energy, health care, insurance recovery, labor, long-term care, municipal, renewable energy, trusts and estates	Jennifer M. DelMonico	1936
8	Reid and Riege PC 1 Financial Plaza Hartford, CT 06103 860-278-1150; www.rrlawpc.com	46	32 14 8	2 2	Employment, business, commercial real estate, employee benefits and pension, environmental, health care, individual client services/trusts and estates, insolvency and bankruptcy, multi-employer benefit plans, nonprofit organizations	Jon P. Newton	1950
9	Pullman & Comley LLC 90 State House Square Hartford. CT 06103 860-424-4300; www.pullcom.com	43	31 10 8	4 5	Employment, environmental, intellectual property, corporate and business, trusts and estates, health care, property valuation, lending and banking, real estate, public and commercial finance, education, municipal, employee benefits, energy and utilities, alternative energy, green development, family law, alternative dispute resolution	James T. Shearin	1994

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### BI, Applango among newcomers

operations to Connecticut from Israel.

Rebecca "Becky" Nolan is vice president of business development at MetroHartford Alliance, the region's business promoter. Nolan has worked closely with CERC, DECD and other state agencies and nonprofits since 2011 to elevate Connecticut's economic visibility among U.S. trade allies globally.

That Israel has emerged, along with Germany, the United Kingdom, Italy, as well as several other Middle Eastern nations, as Connecticut's economic partners partly reflects the synergies of both, Nolan said.

For example, Connecticut is home to biopharmas such as New Haven's Alexion Pharmaceuticals and German drugmaker Boehringer-Ingelheim's U.S. arm is in Norwalk; medical-device maker Covidien has a manufacturing facility in North Haven. Software development, particularly products for protecting online access and information, are the province of many Connecticut and Israeli startups.

### **Making connections**

Genesis for Connecticut's mounting interest among Israeli entrepreneurs can be traced to a series of "summits" coordinted by Metro-Hartford Alliance and others, including Connecticut's Jewish diaspora, to match those Israeli firms, many of which coveted doing business with or in the U.S., with Connecticut entrepreneurs who could facilitate them.

Held annually in various Connecticut locales starting in 2011, the summits also featured Connecticut Innovations Inc. — the state's quasi-public venture capital investor — the state labor department, plus this state's leading research universities, UConn and Yale.

The first summit, held in May 2011 at East Hartford's Goodwin College, drew between 80 to 100 attendees, along with Israel's economic minister, according to Laura Zimmerman, planning-community development vice president for the Jewish Federation of Greater Hartford.

The second, in June 2012, at East Hartford's Rentschler Field drew more than 150; the third, in June 2013, drew more than 200 to Wallingford's Oakdale Theater, Zimmerman said. This

CT's Top Export Destinations						
Rank	Country	2014 Exports	2015 Exports			
1	France	\$2,210,749,225	\$1,932,116,604			
2	Germany	\$1,711,873,865	\$1,652,983,205			
3	Canada	\$1,913,691,439	\$1,622,647,340			
4	United Arab Emirates	\$1,141,955,865	\$1,592,052,102			
5	Mexico	\$1,280,694,019	\$1,319,616,765			
6	China	\$907,301,045	\$1,029,900,955			
17	Israel	\$102,236,739	\$118,680,218			
SOURCE: CT DEPT. OF ECONOMIC AND COMMUNITY DEVELOPMENT						

year's summit is set for May 11 at Infinity Music Hall & Bistro in downtown Hartford.

Spurred by response to and attendance at those summits, DECD Commissioner Catherine Smith in Dec. 2013 led a group of fewer than a dozen people on an economic mission to Israel. Two months earlier, UConn President Susan B. Herbst and retired men's basketball coach Jim Calhoun led an academic mission to the country.

"I got the idea that it was probably good to get over there right away," said Smith, who said she encountered a highly entrepreneurial Israeli culture, where business incubators "are on every corner, practically."

Connecticut and Israel, she said, share overlap in several technology spheres, including development of green technologies involving fuel cells and water treatment. They, too, have in common genomic, stem-cell and immunological research, as well as aerospace and advanced manufacturing technologies.

According to DECD, Connecticut's trade volume with Israel is growing. In 2015, Israel ranked 17th as a destination for state-produced goods, with commodity exports to Israel totaling more than \$118 million, a 16 percent gain from 2014, agency data shows. By comparison, France, Germany, Canada, United

Arab Emirates and Mexico were the top five destinations last year for Connecticut commodity exports.

Encouraging more Israeli firms to come to Connecticut, Smith said, fits with the state's broader strategy to enhance and promote its international-business development aims as much as the state advocates for advancement of its home-grown businesses. DECD has since hired an Israelibased consultant to

advocate on its behalf.

### **Efforts bear fruit**

In March 2014, a few months after Smith and her trade delegation visited Israel, Applango debuted its U.S. headquarters in the Stamford Innovation Center. Founder/ President Daniel Sarfati said one of Applango's Connecticut investors urged him to ditch rival pitches from Delaware, New Jersey and Pennsylvania to come here. The same unidentified investor also introduced Applango to DECD, which provided a \$100,000 grant used to hire four workers in Stamford, Sarfati said.

Sarfati said an East Coast location, more so than one on the opposite coast, offered him convenient access to direct flights to and from Israel, via New York's Kennedy International Airport. Once a month, Sarfati or someone else at Applango must fly to and from the Israeli capitol, Tel Aviv. Also, a seven-hour East Coast time difference with Israel vs. a 10-hour West Coast lag makes it easier to conduct business, he said.

Moreover, Sarfati relocated his three schoolage children to Connecticut, where he was encouraged to find a Jewish cultural infrastructure, including schools and synagogues, that

could, he said, "help them with a soft landing."

"It's a good place for us to be," Sarfati said. Biological Industries chose Connecticut for some of the same reasons as Applango, said Marketing Director Tanya Potcova, including nearer access to its primary U.S. market. Founded 30 years ago, BI's catalog contains some 500 varieties of cell cultures used to grow human and animal cells for biologic research, of which about 489 are distributed from its 3,500-square-foot refrigerated storage-distribution facility in Cromwell, Potcova said.

Biological Industries has a local tie to the region through a Windsor business that owns a stake in the company, she said. But the opportunity to be nearer, Potcova said, to research schools and talent farms like UConn and Yale, plus having practically next door Jackson Laboratory, another producer-supplier of research media, and other health-research vendors close by was too good to ignore.

"It's time to brand build," she said of BI's plan to leverage its Connecticut presence to make its name and products more familiar to the U.S. market.

Currently, BI employs five in Cromwell but eventually plans to expand that to eight, with the hiring of more scientists and sales staff who would be stationed across the country, Potcova said.

A key partner in Connecticut's commercial Israeli recruitment has been the Jewish Federation of Greater Hartford, according to DECD's Smith and others.

Aside from a lead role in marshalling summit resources and participants, the West Hartford advocacy-education organization has eagerly awaited arrival to Connecticut of Israeli companies, said Zimmerman, the Jewish Federation vice president.

The Federation, too, serves as a cultural touchstone for those Israeli firms that want to know more about the cultures and lifestyles in the Connecticut and U.S. before they leap, Zimmerman said.

"No. 1, it's about jobs for Connecticut. It's our home as well," she said. "We want a strong Hartford. We want a strong Connecticut."

from page 8

### **Accounting firms face last-minute tax changes**

"It's a competitive environment just for interns, for accounting grads, they're well-paid positions," Kindelan said. "We always have to be competitive and evaluate what the market is doing. The competition has not been stagnant there."

The internships are mutually beneficial, said Rose Swiatkiewicz, marketing director at CohnReznick.

"It's a great opportunity for students to come in because they're here for a number of weeks, to really see what the environment is like, what the culture is like to work here," she said. "It also gives our team a really good chance to evaluate them not only from their technical skills, but are they a good fit."

Central Connecticut State University student Hannah Phelan said the experience, guidance, support and training she's receiving as a CohnReznick intern is invaluable.

"I absolutely love it," she said from her 12th-floor cubicle on a busy mid-February Friday. "I don't know what more I could really ask for."

The junior accounting intern said the experience is affirming her career choice.

CohnReznick has hired interns seasonally for 25 years, and other seasonal staff for about 15 years, Kindelan said. However, the number of people hired seasonally each year has increased significantly.

Richard Buggy, office managing partner and tax partner at Crowe Horwath LLP, which Buggy's former firm, Saslow, Lufkin & Buggy LLP in Simsbury, joined last July, underscored the tight competition for interns.

He has two this season, both seniors, and has good luck converting interns into full-time staffers. "It's a total battle for talent, at this point," Buggy said. "There are just not enough people to go around."

It's hard to compete against the Big Four accounting firms, which tend to get first choice at big schools like UConn, he said.

"I think joining Crowe, which is a much bigger firm than what we were ... we've gotten some additional clout," Buggy said. "Hopefully that will help us compete for some of those bodies."

### **Tax trends**

As firms deepen their benches, they're also facing new tax changes. There are new reporting requirements, for example, under the Affordable Care Act, forcing large employers to file 1095 C and 1094 C forms.

Congress in December also passed a tax extender bill. Provisions of note that were extended, said Michael D'Addio, principal of tax and business services in Marcum's New Haven office, include bonus depreciation remaining at 50 percent for 2015, which was retroactive, and staying at 50 percent for two more years before lowering to 40 percent and 30 percent the two years after that.

Another significant provision is the qualified charitable distribution from IRAs, he said.

People over 70 1/2 can give \$100,000 directly from their IRAs to charity, so they don't have to pick that up in income and take a deduction. As a result, the direct transfer is

 $not\ a\ taxable\ item,\ D'Addio\ said.$ 

Also important this year are new rules from the IRS regarding Form 8971, dealing with beneficiaries acquiring property from a decedent, an issue affecting accounting and legal firms that do a lot of estates, he said.

CohnReznick's Kindelan said Congress's approval of the tax extenders, many through the next two years, was important for giving taxpayers predictability.

"The intent of having these programs is to provide incentive to invest ... and if taxpayers didn't have certainty as far as whether a program was going to exist, they might be less apt to invest in a certain area," he said.

CohnReznick has been focused on a number of areas for clients this year, including mitigating the 3.8 percent net investment income tax that is imposed on net investment income; unitary tax rules and how they apply to Connecticut corporations; and ensuring clients are aware of and taking advantage of appropriate tax incentives and credits, Kindelan said.

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### from page 1

### Rate relief possible in 2017

on medical device manufacturers, represented one of the most significant changes to Obamacare since it was passed in 2010.

Connecticut insurers have included HIP fees in their rates since they took effect in 2014, but those costs can't be included in plans active any time in 2017. That means any annual policies that took effect after Jan. 1, 2016, will be impacted.

"We are anticipating the rates will decrease because the fee is being removed for the overlap months into 2017," said Paul Lombardo, insurance actuary at the state Insurance Department, which oversees health insurer rate requests. "We view it as a positive for small and large employers in the state."

It's not clear how much savings employers might reap, but an insurance industry commissioned study said the fees in 2017 would add as much as 3.7 percent to the average annual premium, or \$270 and \$250, respectively, to small- and large-group plans.

The study by Oliver Wyman, commissioned by America's Health Insurance Plans, also said the HIP fee would increase small employer plan costs in Connecticut by an average of \$302 per year over a decade, while large employer plans would see an average price increase of \$283 over that time.

AHIP has advocated for a full repeal of the fee.

"The health insurance tax drives up the cost of coverage for millions of Americans,"

Health Insurance Premium Tax Revenues

Year	Revenues
2014	\$8.0B
2015	\$11.3B
2016	\$11.3B
2017	\$13.9B
2018	\$14.3B
SOUCE: IRS	

AHIP spokeswoman Clare Krusing said in a statement before the December vote. "Repealing or suspending this tax would be a victory for seniors, small business owners, and middle-class consumers."

The fee moratorium will affect any annual employer health plans renewed after Jan. 1, 2016, because they will extend into 2017.

As a result, the state Insurance Department has ordered small- and large-group insurers to recalculate any 2017 rates that were approved prior to Congress' HIP fee suspension in December.

Employers who have already begun paying premiums on a policy that took effect after

Jan. 1 and included the HIP fee in its pricing will receive a credit from their insurer, Lombardo said. There are about 16 plans currently in effect that fall into that category.

Of course, elimination of the HIP fee doesn't mean employers looking to renew



Paul Lombardo, insurance actuary, state Insurance Department

their health plans in 2017 are guaranteed to see an overall cost decline. Many factors, from utilization trends to drug costs, affect rate calculations. Insurers will file rate requests this spring for plans that begin in 2017.

### Cost to insurers

The IRS is charged with calculating the HIP fees each year, which are based on prior-year share of all health insurance premiums written.

Hartford-based Aetna paid \$856 million in HIP fees in 2015, and \$605 million in 2014, according to its recent annual report. It's not clear what the insurer would have owed in 2017.

"Aetna is working through the details and filings so that we can comply with the Insurance Department's [refiling request]," spokesman Walt Cherniak said via email.

While some have criticized the HIP fee for driving up insurance premiums, they did help

► 'We are anticipating the rates will decrease because the fee is being removed for the overlap months into 2017. We view it as a positive for small and large employers in the state.'

Paul Lombardo, insurance actuary at the state Insurance Department

offset the costs of expanding insurance to millions of Americans. Critics have also said the moratorium will add to the federal deficit.

Meantime, there have been questions over the fee calculations.

The Treasury Inspector General for Tax Administration issued a report last year that found the IRS may not be allocating the fee properly, because some insurers failed to file their market-share data on time, allowing them to avoid paying their fair share of the overall fee.



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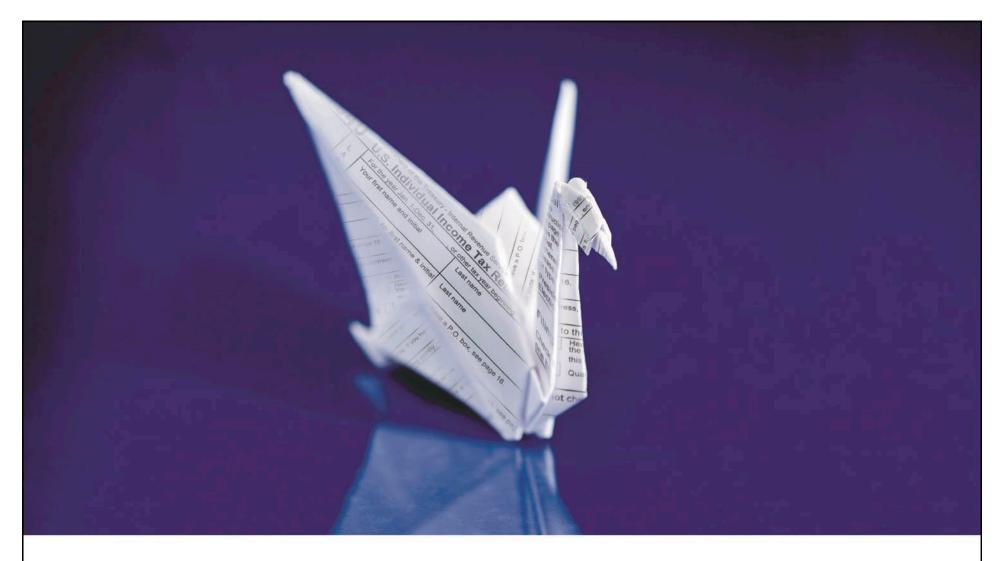


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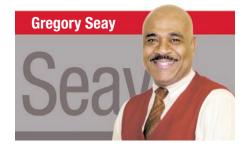


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www.HartfordBusiness.com February 29, 2016 • Hartford Business Journal 13

### Smitten Alterra apt. landlord adding 3 more in Hartford region



n the 27 months since the Alterra-Rocky
Hill Apartments opened, its New Jersey
developer/landlord has embraced Connecticut to the point that it has broken
ground for its third development in the
Hartford region and fourth in the state.

Continental Properties, of Chatham, N.J., closed recently on its \$4.7 million purchase of seven acres just off Route 2/Exit 8, at the corner of Hebron Avenue and House



Alterra-Rocky Hill Apartments' landlord is adding to its Hartford region properties.

Street, on which it will erect a 145-unit apartment community. CBRE-New England brokered the land deal.

Meanwhile, Continental is underway

with construction, for debut this fall, of its second Rocky Hill community, the 144-unit Montage-Rocky Hill on 12 acres on Sagamore Lane. In Shelton, it's erecting The Mark, a 228-unit apartment development; and near Evergreen Walk in South Windsor, a 200-unit community is going up.

"We're very bullish on the market there," Fredric Petak, Continental vice president and regional manager, said of Connecticut's multifamily sector. "Alterra is very successful. We're all in in Connecticut. So far, Connecticut has been very good to us."

Like Alterra, located at 11 Kensington Lane, Continental's newest one- and two-bedroom communities will incorporate many design and convenience details often found in single-family houses, Petak said, including faux wood flooring, stone countertops and high ceilings.

But the main feature common to all Continental communities is the community room space residents share. The newest apartment complexes will have 6,500-square-foot community rooms — double the size of the one at Alterra, Petak said. The Wi-Fi-outfitted larger facilities also will have wine and theater rooms.

Amenities like those, he said, are the reason Alterra's living units are filled since opening in November 2013.

"No. 1, we think there's a base of renters who want what we produce," Petak said. "We provide for these people a certain level [of space] they can call 'home'. In today's market, a lot of people want to have amenities at their fingertips."

### Middletown apts. sold



Madison Chestnut Hill, left; Madison Northwoods

A pair of Middletown apartment communities with a combined 650 units sold recently for \$92.5 million, or \$142,000 per unit, brokers say.

Gateway Realty Holdings Ltd. bought 314-unit Madison Chestnut Hill and 336-unit Madison Northwoods from Chestnut Hill and Northwoods Apartment Associates LLC. Both complexes opened in 1986.

The Institutional Property Advisors division of commercial broker Marcus & Millichap represented the seller and brought the buyer to the table.

Both properties have community amenities, officials said, that include a clubhouse, billiards room, library, tennis court, indoor racquetball court, indoor Jacuzzi, large swimming pool, fitness center and walking trail.

### S. Windsor listing

A 4,000-square-foot, free-standing South Windsor industrial building is available for lease at \$5.75 per square foot, brokers say.

The 27-year-old structure on 1.5 acres is at 201 South Satellite Road. It includes 1,000 square feet of office space and five, truckheight doors.

 $Sentry\ Commercial\ is\ listing\ broker.$ 

### **KAMCO's Wallingford renewal**

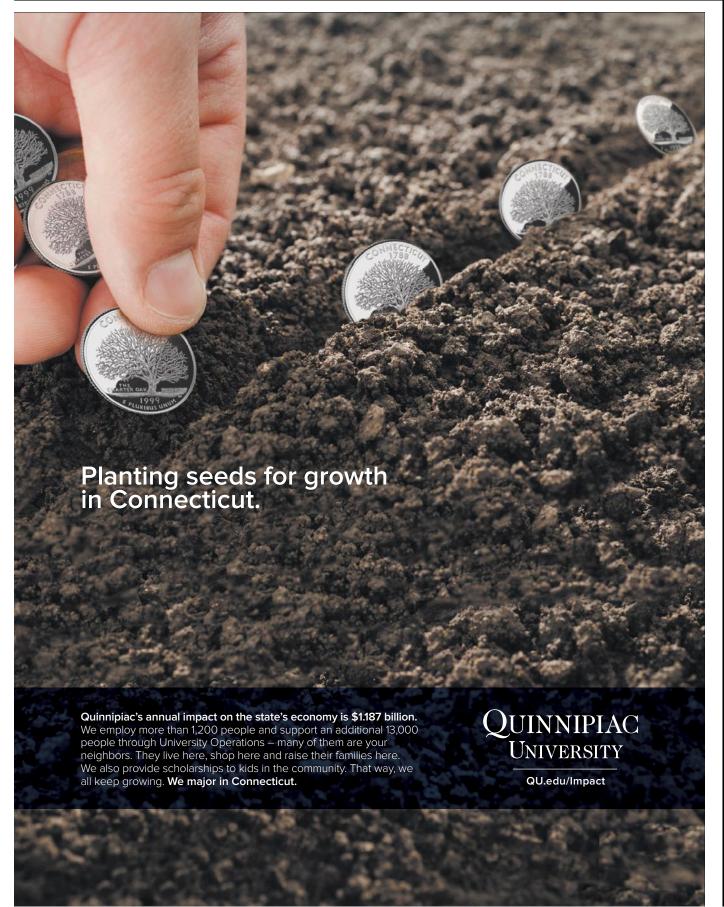
Commercial building-products vendor KAMCO Supply Corp. of New England has renewed its 9,279-square-foot office lease in Wallingford.

WE2 Barnes LLC owns the 41,000-square-foot, multi-tenant flex facility on eight acres at 2 Barnes Industrial Road South.

Sentry Commercial was sole broker.  $\ \blacksquare$ 

Deal Watch wants to hear from you. E-mail it, along with contact information to: gseay@ HartfordBusiness.com.

Gregory Seay is the Hartford Business Journal's News Editor.





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### SAVE THE DATE

**Annual Luminary Award Gala** 

THURSDAY **May 12, 2016** 

**The Hartford Marriott Downtown** 

5:30 P.M. – 9:00 P.M. 200 Columbus Blvd., Hartford, CT

LUMINARY

Celebrating connecting our community to the world in style.



### This year we are honoring the **Connecticut Aerospace Industries**

Created to honor those who have had a profound impact on global affairs, with an emphasis on the betterment of the world, the Luminary Award celebrates the contribution of individuals or organizations recognized as international leaders in Connecticut.



The featured keynote speaker will be none other than retired **Colonel Mark Tillman**, the former commander of Air Force One and its pilot on 9/11.



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To register, please visit www.ctwac.org or call 860.241.6118

Individual: \$200 Patron Level: \$350

### NONPROFIT NOTEBOOK

### **NONPROFIT PROFILE**

### **The Mark Twain House and Museum**

351 Farmington Ave., Hartford | marktwainhouse.org

### MISSION

To foster an appreciation for the legacy of Mark Twain and to demonstrate the continuing relevance of his work, life and times.

### **TOP EXECUTIVE**

### SERVICES

Cindy Lovell, Executive Director

Museum tours, children's activities, shopping and other events.

FY 2014 SUMMARY		
	2013	2014
Total Employees	79	76
Total Assets	\$15,454,176	\$14,486,485
Total Liabilities	\$4,344,485	\$4,136,759
REVENUES		
Contributions & Grants	\$1,069,965	\$1,010,723
Program Service Revenue	\$1,027,864	\$1,004,254
nvestment Income	\$30,682	(\$259,764)
Other	\$141,290	\$322,894
TOTAL	\$2,269,801	\$2,078,107
EXPENSES		
Grants	\$0	\$0
Member Benefits	\$0	\$0
Salaries/Employee Benefits	\$1,362,587	\$1,455,154
Fundraising Fees	\$20,000	\$15,000
Other	\$1,406,160	\$1,441,540
<b>TOTAL</b>	\$2,788,747	\$2,911,694
MARGIN	\$(518,946)	\$(833,587)
TOP PAID EXECUTIVES (FY 20	14)	
	Base Salary	Total Compensation & Benefi
Cindy Lovell, Executive Director	\$140,000	\$146,679
SOURCE: GUIDESTAR IRS 990 TAX FORM		



EMCOR Services New England Mechanical (NEMSI) has recently donated \$4,000 to The Center for Hospice Care. The funds were raised through their annual charity golf tournament. Pictured (from left) are: Jennifer Wheelehon, Center for Hospice Care; Mike Bliven, NEMSI; Carol Mahier, Center for Hospice Care; and Dana Finnegan, NEMSI.

The Hartford Foundation for Public Giving is launching a new Career Pathways Initiative, a collaborative, cross-cutting approach to providing residents with education and workforce training that places them on a trajectory to ascend a career

ladder in industries that have job openings. The Foundation approved \$3.95 million over three years in grants and technical assistance to support this initiative, which targets low-literate and low-skilled residents of Greater Hartford, including single parents, at-risk youth, immigrants, homeless heads of household, former offenders, and others who need a broad range of coordinated services to be successful. The initiative enhances or expands existing programs and pilots new approaches.

The Prudential Foundation has awarded The University of Hartford's Entrepreneurial Center, located on the Asylum Avenue campus in Hartford, a renewed grant of \$75,000. The award will be used to support the Small Business Technical Assistance Training Program, which provides training, business advising, and technical assistance to aspiring and established Connecticut small business owners.

Now in its seventh year, **KBE Building Corp.'s** 50 Ways to Make a Difference corporate philanthropy program has donated more than **\$1.7 million** and 11,474 volunteer hours. Residents in Farmington and Norwalk, where the firm has its offices, have received meals, gifts, grants, and more through the program.

Koskoff, Koskoff & Bieder, a nationally known law firm with offices in Bridgeport, New Haven and Danbury, has made a \$100,000 donation to Bike Walk Connecticut in recognition of the work of Sean Alexander and Colleen Kelly Alexander, who were elected to the nonprofit's board in 2015.

### **Be a Part of Doing Business** in Connecticut 2016.

Economic Vitality, Workforce Development, Research and Innovation for Connecticut.



2016 may include

the following Industry

**Spotlight categories:** 

Film, TV and Digital Media

Education and Research Tourism / Arts & Culture

Construction & Real Estate

Health Care

Green Business

**Transportation** 

Technology

Energy

Biosciences and Pharmaceuticals

### In Print:

**D**oing Business in Connecticut is an annual glossy four color magazine in print and digital format showcasing Connecticut's many economic development opportunities, and the attributes that make Connecticut a special place to work, live and play.

Doing Business in Connecticut is designed to provide government officials, presidents, CEOs, owners, and top level executives an overview of resources and current information. Doing Business in Connecticut is the go to tool for our state in 2016.

### Online: www.DoingBusinessinCT.com

In addition to housing the digital edition, this microsite will be refreshed throughout the year with new information. It will be a useful extension of the print version to extend the reach, audience, and timeliness.

### In Person: June 9th, 2016

Your participation in the publication includes a Special Launch Event at the CT Business Expo on June 9, 2016. Meet n' greet with state dignitaries, movers n' shakers and fellow participating companies!

### Content to include:

- Industry Spotlights
- Key Employment Sectors
- Top Reasons to do **Business in Connecticut**

Major Cities in CT

- Five Clusters
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For more information contact Donna Collins, **Associate Publisher at 860-236-9998 ext. 121.** Or dcollins@HartfordBusiness.com

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### **MOVERS & SHAKERS**

### Amenta Emma Architects adds to Hartford, Stamford offices

Hartford-based Amenta Emma Architects recently announced the addition of **Nayef Mudawar** to its Hartford office and **Monica Harriss** to its Stamford outpost.

Mudawar has extensive experience producing schematic design proposals, construction documents and 3D models. His assignments will include work on Amenta Emma's renovation, restoration and site redevelopment project for the State Office Building at 165 Capitol Ave.

Harriss has a portfolio that includes commercial, corporate, hospitality, residential and retail projects. She is the founder of Women-in-Design, a youth program for underprivileged females needing a viable career path.

### Graff Public Solutions announces manager of public affairs

Hartford public affairs agency Graff Public Solutions LLC has added **Brendan Finley** as manager of public affairs. Finley joined GPS in January, bringing extensive knowledge of the Connecticut General Assembly and the executive branch, including tracking the progress of legislation and regulations, conducting research, mobilizing the grassroots and managing client relations.

Before joining GPS, Finley was legislator coordinator for the lobbying firm Sullivan & LeShane Inc., where he worked with the government relations team and in client coordination and communication.

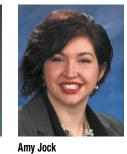
### Fiduciary Investment Advisors promotes two to partner

Windsor-based Fiduciary Investment Advisors LLC has promoted **Jeffrey Capone** and **Vincent Smith** to partner and senior consultant.

Capone most recently served as a senior consul-









Jean Lange

tant after joining FIA in 2009. He provides strategic investment consulting services to nonprofit and corporate sponsors, and has been advising institutional

clients for more than 15 years.

Smith most recently served as a senior consultant after joining the firm in 2011. He provides consulting services to plan sponsors, including comprehensive fiduciary governance and oversight, investment policy statement development and review, investment menu design, investment monitoring and selection, market reviews and request for proposals, and fee analysis and benchmarking. He has been advising institutional clients for more than 15 years.

### United Bank hires chief information and administrative officer

**John J. Smith** has been hired as executive vice president and chief information and administrative officer of Glastonbury-based United Bank. Smith will lead the information technology, payment operations and project management teams.

Smith comes to United Bank with more than 30 years of experience in financial services technology and operations management. He spent the last 10 years with New York-based CIT Group in New Jer-

sey, most recently as chief information officer for CIT Bank Unit from 2010 to 2015.

Smith has managed all aspects of information technology and operations units, including back-office operations, application development, data center management/operations, network management and call centers.

### Chelsea Groton Bank names Glastonbury retail loan originator

Amy Jock recently joined Chelsea Groton Bank as a retail loan originator based at the bank's lending center in Glastonbury. Jock will work with clients needing traditional mortgages, first-time homebuyer and affordable lending programs, and specialty financing and home equity loans.

Jock most recently was a residential mortgage loan originator with Northwest Community Bank and has experience as an audit assistant and a bank teller, prior to becoming a lender.

### Peter Pan Bus Lines announces new marketing director

Peter Pan Bus Lines has named **Danielle Veronesi** its new marketing director. She will be responsible for

overseeing Peter Pan's marketing department, which includes creating digital advertising through multimedia platforms.

Veronesi brings more than 15 years of experience in the marketing and promotions industry, coming most recently from iHeartMedia, where she was marketing and promotions director.

### Hallmark TotalTech appoints sales and marketing manager

Garrison Leykam has been appointed sales and marketing manager for Rocky Hill-based Hallmark TotalTech Inc., a provider of consultants, technicians, project teams and permanent staff to OEM vendors, systems integrators and other companies throughout North America.

Leykam has trained and mentored hundreds of professional salespeople and been featured on ESPN2's "Extreme Magazine" TV show for his leadership and team-building abilities. He's also host and producer of the documentary "Diners" on Connecticut Public Television and author of "Classic Diners of Connecticut."

### Charitable foundation appoints Quinnipiac nursing school dean to advisory board

**Jean Lange**, founding dean and professor of the Quinnipiac University School of Nursing, has been appointed to the advisory board of the Gertrude E. Skelly Charitable Foundation. The foundation provides grants to undergraduate and graduate nursing students in the U.S. facing unexpected financial emergencies that jeopardize their education. It also provides educational opportunities and medical care for those in need.

Before coming to Quinnipiac, Lange was a professor and director of the doctor of nursing practice program at Fairfield University.





### **SS&C Technologies Holdings Inc.**

80 Lambert Road, Windsor | www.ssctech.com

SS&C Technologies provides software products and softwareenabled services to financial services companies in North America, Europe, Asia, Australia and Africa.

Top Executive: William C. Stone, founder, chairman and CEO

### **FACT BOX**

4Q 2015 Revenue: \$300.9M 4Q 2015 Net Income: \$12.1M **Quarterly Profit Change: (-\$24.5M)** 

Cash: \$434.2M Employees: 6,100

Competitors: DST Systems Inc.

State Street Corp. SunGard Data Systems Inc.

### **TOP INSTITUTIONAL INVESTORS**

Holder	Shares	% Stake
T. Rowe Price Associates	15,601,524	16.04
FMR LLC	6,491,145	6.67
Janus Capital Management	5,826,886	5.99



### STOCK WATCH (as of noon Feb. 25)

Ticker Symbol: SSNC Stock Price: \$58.23 Market Cap: \$5.93B 52 Week Range Price: \$47.23-\$77.19 **Outstanding Shares: 99.17M** 

### **CORPORATE SUITE**

Executive	Title	Salary	Bonus	Stock Awards	Non-equity Incentive	Total
William C. Stone	Chairman/CEO	\$875,000	\$0	\$2,438,564	\$5,000,000	\$8,318,596
Normand A. Boulanger	COO	\$550,000	\$0	\$1,155,109	\$1,900,000	\$3,609,661
Rahul Kanwar	Sr. VP	\$475,000	\$0	\$1,026,764	\$1,400,000	\$2,906,004



HARTFORD BUSINESS JOURNAL

Best Places 2016

Meet the companies that excel above the rest!



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**WED. March 23, 2016** 5:30 pm - 9:00 pm

### **Farmington Gardens**

999 Farmington Avenue, Farmington, CT, 06032

Enjoy dinner, networking opportunities and a fun social evening as the winners all gather to celebrate the Best Places to Work in CT and find out who will rank #1!

TICKETS: For tickets, contact Amy Orsini at \$85 each aorsini@HartfordBusiness.com or 860-236-9998 ext. 134 or go to

**\$940** per HartfordBusiness.com and click on "our Events" table of 12

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> Citrin Cooperman **Clarity Software Solutions, Inc.** COCC

Comcast - Western New England

Consigli Construction Co., Inc. **Continuity Control Cooperative Systems Inc.** 

**Core Informatics Datto** 

**Digital Surgeons Edward Jones** 

**Fiduciary Investment Advisors Goodwin College** 

**Hartford Area Habitat for Humanity Hinckley Allen** 

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**Martinez Couch & Associates LLC** 

Mintz + Hoke **Motorlease Corp** 

Nicola | Yester OFI

Qualidigm **Shawmut Design and Construction** 

**SMC Partners, LLC** Stew Leonard's Tallan

The Lockwood Group **Travel Insured International** 

VLink, Inc.

### **EDITORIAL**

### State must restrain government-program growth

he size and scope of state government is often debated when the General Assembly is in session, but the rhetoric has intensified as Connecticut grapples with its ongoing fiscal crisis.

Many agree it's time for state legislators to show restraint by curtailing spending and the expansion of government programs. It's a bipartisan philosophy shared by many legislative leaders, some of whom have sworn off tax increases despite next fiscal year's half-billion dollar projected deficit. Billion-dollar deficits loom in the future.

It's against that backdrop that calls for the state to get involved in several private industries raise alarm bells. Last week, the Hartford Business Journal reported on the likelihood of separate bills being proposed this legislative session that would establish a government-run retirement plan for private-sector workers and use state funds to help expand the availability of affordable, ultra-high-speed Internet to residents and businesses.

While both proposals are well intentioned, they are wrong minded. State government is in no position to launch new benefit programs when it can't control the costs of ones it already offers.

The establishment of a state-run retirement plan is particularly troublesome because Individual Retirement Accounts and other retirement-savings products are already made available by the private sector.

Comptroller Kevin Lembo, a key proponent of the state-run plan, argues the retirement-planning industry is not adequately servicing certain swaths of the workforce, particularly those in lower-paying jobs at small companies.

He's right to some extent. There are an estimated  $600,\!000$  workers in the state whose employers don't offer a retirement plan, and the percentage of employers nationwide participating in savings programs is lackluster.

He also makes the valid argument that if people don't save enough for retirement they'll end up on the government dole.

But the solution can't immediately be for state government to fill the void. That philosophy has driven Connecticut to its permanent state of fiscal crisis, and it ends up being counterintuitive. We've overleveraged our balance sheet and now basic services government is supposed to provide to those who need it most are on the cutting board.

State government can't be all things to all people. Instead, the state must think of creative ways to work with the private sector to advance the greater good.

The phrase "private-public partnership" has been bandied around the State Capitol for years and there are some successful examples of it working. For example, in this week's issue, News Editor Gregory Seay reports on the joint efforts of the state's economic development agency, private chambers of commerce and nonprofits in wooing Israeli companies to Connecticut.

Financial planners suggest the state invest in an education campaign to help people who don't have retirement plans understand where they can access them. Maybe new incentives could be offered to individuals who open a retirement account outside their employer.

On the broadband issue, the state needs to partner with telecom companies, rather than compete with them, to expand access to gigabit-speed Internet, which many agree is crucial in Connecticut's efforts to attract technology, bioscience and other companies using large amounts of data.

Connecticut is already a top-ranked state when it comes to high-speed Internet access, so reinventing the wheel seems costly and wasteful. Groton's failed attempt at a government-owned broadband network, for example, cost it \$30 million.

The state will never have the expertise of private telecom companies nor should it try to obtain it. What government does have is the power of the bully pulpit and to be a convener of strategic thinking. Policymakers must fully exhaust that strength, before they venture into areas that pose further risks for taxpayers.

### HARTFORDBUSINESS.COM POLL

Should CT end minimum pricing rules for alcohol?

Yes

O No

To vote, go online to HartfordBusiness.com.

### Last week's poll results:

Should CT establish a state-run 401(k) plan?

62.4% Yes

37.6% No

### **OTHER VOICES**

## Job growth, fiscal sustainability keys to CT's economic success

By Oz Griebel

ov. Malloy's budget address and his subsequent town hall meetings clearly illustrate the emerging bipartisan consensus that we must change the focus, process,

and tone for setting fiscal policy in order to reestablish the confidence needed for job growth and capital investment by the private sector. Nine organizations representing the state's private sector employers and over 100,000 employees are working together



to build upon that consensus.

On Feb. 1, our nine organizations submitted a letter to the governor and the legislature emphasizing the three core principles of: private-sector engagement, economic growth, and spending discipline. We believe that following these core principles are critical to achieving four key objectives that will sustain Connecticut's long-term growth:

- Retaining and recruiting young talent;
- Strengthening the livability and competitiveness of our urban centers;
- Ensuring a best-in-class transportation system; and
- Re-establishing 4 percent annual increases in percapita income.

Making progress on these critical objectives will reignite the private-sector confidence that generates the tax revenues that support both services and infrastructure investments.

### Private-sector engagement

Every state faces the confluence of global economic

volatility, underfunded retiree pension and healthcare benefits, and structural budget deficits. Connecticut's greatest advantage in addressing our challenges lies in the latent but powerful combination of the state's private-sector employers and government leaders. The sustained engagement of private-sector expertise with state leaders on key policy issues will drive job growth and capital investment and help to improve the state's delivery of core government services.

### Growth

The Feb. 16 summit hosted by the Department of Economic and Community Development (DECD) and the Commission on Economic Competitiveness (Commission) and its

research effort with McKinsey & Co. provided two opportunities for private-sector engagement to leverage Connecticut's broad and deep economic foundation in insurance and financial services, precision manufacturing, the health sector, digital media, higher education, and science and technology. Similarly, establishing a biannual statewide dialogue on Connecticut's economic and employment strategy will foster bipartisan and public-private ownership of a long-term plan that takes into account economic trends, fiscal realities, and the state's quality of life.

### **Spending discipline**

Connecticut must also strengthen spending controls and embrace efficiency in order to have the resources necessary to invest in education, infrastructure, and the state's urban centers. We applaud Malloy's efforts to reform state-employee labor agreements and his leadership on developing innovative solutions to the state's retiree pension and healthcare benefit crisis.

We also support the Connecticut Institute for the 21st Century's recommendations on delivering core government services more effectively. Finally, we must ensure that our tax policies are competitive and predictable in order to encourage private-sector employers of all sizes to expand, to attract workers with "in-demand" skills, and to allow retired residents to remain in Connecticut.

► Connecticut must also strengthen spending controls and embrace efficiency in order to have the resources necessary to invest in education, infrastructure, and the state's urban centers.

Two of the most important actions to strengthen spending discipline are to pass two constitutional amendments to ensure that they are on the Nov. 8, 2016 ballot. The first supports the governor's call for a lockbox to ensure that all Special Transportation Fund monies are used for transportation infrastructure. The second will ensure that the state's constitutional

spending cap — critical to the adoption of the personal income tax in 1991 — rests on clearly understood and enforceable definitions. We have submitted drafts of both amendments to the governor and the legislature, which can be found at http://bit.ly/AllianceSources, along with the Feb. 1 letter.

By building and sustaining the engagement of the private sector with the governor and the legislature and focusing on economic growth and disciplined spending, we will ensure that Connecticut achieves the four objectives noted above while dramatically enhancing its ability to compete aggressively and successfully for jobs, capital and talent.

Oz Griebel is the president and CEO of the MetroHartford Alliance.

### **EXPERTS CORNER**

### Don't bring a business plan to investors

By Anthony Price

he rules for business constantly are changed by innovators who have bright ideas and fresh solutions for nagging problems - often before industries, the public, and laws can catch up.

Innovators and investors are lurking for the next big opportunity. Uber harnessed the power of a hungry, on-call workforce into a mobile-phone app sensation, bypassing the traditional taxi model. Uber, a private company, is



valued at over \$60 billion. Starting in Hartford in 1981, Alan Lazowski and his childhood friends improved parking and built the global company Laz Parking, the third largest parking company in America.

What may have worked yesterday is usually the starting point for entrepreneurs to ask, "Is there a better way?" When an entrepreneur finds a novel solution to a problem, it's time to create a business around that solution. In the past, the voluminous business plan was the first tangible document that entrepreneurs

would share with outsiders. If you wanted to open up the bank vault to get money, bankers demanded to see your business plan before they would take your business seriously.

Business plans became popular with military contractors such as Dupont and GM during World War II. But the business plan fell out of favor a long time ago with funders and professionals who create businesses. "In many circles, it's a fairly antiquated term," says Bill Kenney, CEO of Test My Pitch. Investors want a document that is a quick read and answers salient questions. Using Microsoft Power-Point, presentations morphed into what is now called the pitch deck. Kenney states, "It's not your granddad's business plan." He sees over 100 pitch decks a year.

Evan Baehr and Evan Loomis are entrepreneurs and authors of the book, "Get Backed." Their book condenses the building blocks of a pitch deck into 10 sections: overview, opportunity, problem, solution, traction, customer or market, competition, business model, team and use of funds. The pitch deck is presented in 11 to 12 succinct pages designed to get attention and save time for the readers, who are often the investors in the room.

The transition from business plan to pitch deck is complete. Loomis says, "Business plans are not that bad, but what is happening is a major shift. You're not going to get funded with ► While the business plan may live on with bankers, universities, the Small Business Administration and other service providers, it is no longer the be-all for business.

a business plan. Investors won't take you seriously if you give that to them. It's not a funding document — 20 years ago, it was a legit document. If you're knocking on doors for investors' money, don't bring a business plan."

Pitch decks have the advantage over a business plan because they can be updated quickly and are concise. According to Loomis, once you create one, the second and third are really easy. He has personally created about 50 decks. Loomis states, "Investors have insane ADD [Attention Deficit Disorder] because they are hit up every day." So, a pitch deck will help you get to the point, fast.

The pitch deck is practical because at some point you will have to pitch your idea to an audience, whether that be family, friends or angel investors. Kenney states, "The pitch is one moment of how you can connect and build relationships." His tips for a successful pitch are: 1. Know your audience; 2. Have something worth talking about — from the audience perspective: 3. Communicate simply and directly.

"Get Backed" offers insight into the investors mindset with the three questions they ask themselves during a pitch: 1. Do I like you? 2. Do I trust you? 3. Do I want to do business with you? During your pitch, Loomis observes, "The best investor meetings are great conversations, not pitches. Better to be interrupted than to finish your sentence."

While the business plan may live on with bankers, universities, the Small Business Administration and other service providers, it is no longer the be-all for business. Times change, and you should too. Put the pitch deck into your lexicon and create one.

Anthony Price is the CEO of LootScout, which counsels small businesses how to raise capital. You can reach him at Anthony@LootScout.com.

### **BIZ BOOKS**

### Tips for turning employees into job-owner entrepreneurs

hink Like an Entrepreneur, Act  ${\bf Like\,a\,CEO-50\,Indispensable}$ Tips to Help You Stay Afloat, Bounce Back and Get Ahead at Work" by Beverly E. Jones (Career Press, \$15.99).

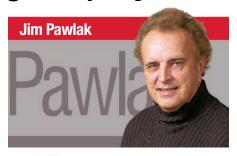
Way too many workers think of themselves as employees rather than the job-owner/entrepreneur of "Me Inc." Employees cede control over what they do and how they do

it to the employer. They see themselves as gears in the machine of business. Jobowner entrepreneurs, on the other hand, constantly look for ways to build their skills and brand by managing up (i.e. bosses), down (subordinates) and sideways (peers). While recognizing the collective strategy of the organization, they believe in their vision of what they need to contribute and accomplish.

Here are some of Jones's brand-building tips: "Think like

an entrepreneur wherever you are." Focus on what remains to be done. Develop a "Fitbit" the customer — without satisfied customers, no business grows. They spread the word; they actually name and affirm your brand. As Me Inc., you must know your customers; there's no one-size-fits-all approach to working with them. Always ask yourself how you could better serve them. By meeting their needs, you'll meet yours. Positive interaction also creates allies needed to promote ideas.

"Talk back to the voice in your head."



Everyone has a cautionary voice in their head. When that voice becomes loud, you become worried about what could go wrong. When worry translates to action, you play not to lose, rather than playing to win. Reframe worry to a positive by changing outlook from "I'm not sure" to "Today, I will take the next step toward my goal."

"Measuring progress makes your goals more powerful." Awareness of

what's been done brings focus to mentality for tasks by measuring activities most likely to contribute to achieving your goal. The more steps you take, the more likely vou'll reach your goal.

Also measure the non-contributors. When you recognize they're not moving you forward, take action to minimize their negative effects.

Jones's underlying theme: Always choose optimism.

**▶** Job-owner entrepreneurs ... constantly look for ways to build their skills and brand by managing up (i.e. bosses), down (subordinates) and sideways (peers).

through language

and inspire

bart egnal

choosing words that

influence

"Leading through Language: Choosing Words that Influence and Inspire" by Bart Egnal (John Wiley & Sons, \$28).

Blue-sky thinking. Core competencies. Leverage. Synergies. We have to avoid bluesky thinking by focusing on core competencies to leverage synergies. You've heard such corporate-speak in numerous meetings and presentations. Does it actually explain what's happened or what must be done? "No" argues Egnal: "Jargon, buzzwords and corporate-speak usually exist because of a dearth of clear, powerful thinking."

Egnal believes real words convey real meaning and inspire people with a call to action. Winston Churchill: "We shall fight on the beaches, we shall fight on the landing grounds ... we will never surrender." Could there be any doubt what those words meant to friend or foe?

To be effective, leadership must create believers. It must inform and inspire. It

must get people thinking about what must be done and their role in the doing. Leadership communication begins with conveying vision with urgency, excitement, confidence and passion. Example: "Together, we can make our company the industry leader, and we'll do it by becoming the first choice of ... . The path requires hard work and difficult choices. The talent we have will make it happen."

Part of the "hard work" involves recognizing that leadership language must be tailored to his/her audience. That doesn't mean dumbing down the message. It does mean putting some thought into the words

> you choose. It should be personal, too; using we, us, our, etc. shows actions

require collaboration and teamwork. Speaking from a shared perspective ensures understanding.

Key takeaway: "Replace jargon with substance."

Jim Pawlak is a nationally syndicated book reviewer.

### **ACCOLADES** & MORE



Quinnipiac's School of Business in Hamden.

### **OF NOTE**

### QUINNIPIAC'S SCHOOL OF BUSINESS RATED CT'S BEST FOR VETS

Military Times ranked the **Quinnipiac University School of Business** as the best business school for veterans in Connecticut and the 24th best in the nation, according to its Best for Vets: Business School's 2016 rankings. The rankings are published in full in the issues of Army Times, Navy Times, Air Force Times and Marine Corps Times.

Military Times' Best for Vets survey-based rankings include colleges, career and technical colleges, business schools, franchises, employers and law enforcement.

### MICHAEL BAKER INTERNATIONAL RECOGNIZED FOR DEVELOPING CTFASTRAK

Engineering design firm **Michael Baker International**, which has a Rocky Hill office, was awarded the 2016 Grand Award from the American Council of Engineering Companies for its role in developing CTfastrak, one of the nation's largest bus rapid transit systems.

The firm received the award during its recent Engineering Excellence Awards program.

Michael Baker led the design, construction and operational implementation of CTfastrak, the nine-and-a-half mile bus-only roadway that is aimed at reducing congestion along I-84 in central Connecticut.

In addition, Michael Baker developed ridership forecasts, bus schedules and a public information campaign to educate the community on the benefits of the bus system in the area.

### CANTOR COLBURN NAMED FASTEST GROWING U.S. PATENT LAW FIRM

From 2004-2013, Hartford's **Cantor Colburn** has been the fastest growing patent law firm in the country, according to patent analytics and research firm Juristat in its Rainmaker Firms blog post.

Juristat measured growth in workload in more than 300 U.S. intellectual property law firms as an indicator of which were great businesses.

### CONNECTICARE RECOGNIZED AS AMERICAN HEART ASSOCIATION 'FIT-FRIENDLY WORKSITE'

For the sixth consecutive year, Farmington insurer **ConnectiCare** has been recognized as a Platinum-Level Fit-Friendly Worksite by the American Heart Association.

ConnectiCare offers employees an on-site fitness center, healthy food options at its on-site cafeteria, friendly fitness competitions, weight management programs and incentives for demonstrating healthy behaviors and meeting biometric outcomes such as blood pressure and body mass index goals.

Please Note: All electronic submissions for Accolades should be sent to news@HartfordBusiness.com. For more information about the Hartford Business Journal's Accolades Page, please visit www.HartfordBusiness.com.



East Harford jet-engine maker Pratt & Whitney was recently named Susan G. Komen Southern New England's 2015 Sponsor of the Year. The honor was bestowed by Komen for Pratt & Whitney's sponsorship of and participation in the 2015 Race for the Cure Greater Hartford. Pictured (from left) are: Mary Anne Cannon, P&W vice president, Environment, Health & Safety; Jill Albertelli, P&W vice president; Lori van Dam, CEO, Komen Southern New England; and Cindy Adelman, P&W V2500 manager.



Hartford law firm Halloran & Sage has provided support and funding to Capital Preparatory Magnet School's Learn to Ski and Ski Racing programs, which offer students of the Hartford school the opportunity to participate in skiing and snowboarding. The programs provide equipment, lift tickets and lessons at Ski Sundown in New Hartford. Pictured are program founder Wenzola Perry, teacher Adam Taha, teacher Maggie Rubino, Halloran & Sage attorney Dan Scapellati, and students of Capital Preparatory Magnet School in Hartford.

### DOMINION FOUNDATION DONATES TO OPERATION FUEL



► The Dominion Foundation has donated \$25,000 to Operation Fuel for its energy assistance program. The foundation is part of Dominion, which owns and operates the Millstone Power Station in Waterford. Pictured (from left) are: Nancy Bulkeley, chairperson of Operation Fuel's board and senior community affairs representative for Dominion; and Patricia Wrice, Operation Fuel's executive director.

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